



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

June 1, 2018

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2493, an Act making appropriations to the department of cultural affairs, the economic development authority, the Iowa finance authority, the public employment relations board, the department of workforce development, and the state board of regents and certain regents institutions, and properly related matters, and including effective date and retroactive applicability provisions.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Reynolds".

Kim Reynolds
Governor

cc: Secretary of the Senate
Clerk of the House



House File 2493

AN ACT

MAKING APPROPRIATIONS TO THE DEPARTMENT OF CULTURAL AFFAIRS, THE ECONOMIC DEVELOPMENT AUTHORITY, THE IOWA FINANCE AUTHORITY, THE PUBLIC EMPLOYMENT RELATIONS BOARD, THE DEPARTMENT OF WORKFORCE DEVELOPMENT, AND THE STATE BOARD OF REGENTS AND CERTAIN REGENTS INSTITUTIONS, AND PROPERLY RELATED MATTERS, AND INCLUDING EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I
FY 2018-2019

Section 1. 2017 Iowa Acts, chapter 169, section 18, is amended to read as follows:

SEC. 18. DEPARTMENT OF CULTURAL AFFAIRS.

1. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions for the department:

.....	\$	84,318
.....		<u>168,637</u>
.....	FTEs	56.50

The department of cultural affairs shall coordinate activities with the tourism office of the economic development authority to promote attendance at the state historical building and at this state's historic sites.

Full-time equivalent positions authorized under this paragraph are funded, in full or in part, using moneys appropriated under this paragraph and paragraphs "c" through "g".

b. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

.....	\$	86,045
		<u>172,090</u>

c. HISTORICAL DIVISION

For the support of the historical division:

.....	\$	1,488,898
		<u>3,027,797</u>

d. HISTORIC SITES

For the administration and support of historic sites:

.....	\$	213,199
		<u>426,398</u>

e. ARTS DIVISION

For the support of the arts division:

.....	\$	596,094
		<u>1,217,188</u>

Of the moneys appropriated in this paragraph, the department shall allocate ~~\$150,000~~ \$300,000 for purposes of the film office.

f. IOWA GREAT PLACES

For the Iowa great places program established under section 303.3C:

.....	\$	75,000
		<u>150,000</u>

g. RECORDS CENTER RENT

For payment of rent for the state records center:

.....	\$	113,621
		<u>227,243</u>

h. CULTURAL TRUST GRANTS

For grant programs administered by the Iowa arts council

including but not limited to those programs supporting the long-term financial stability and sustainability of nonprofit cultural organizations:

.....	\$	12,500
		<u>75,000</u>

2. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 2. 2017 Iowa Acts, chapter 169, section 20, is amended to read as follows:

SEC. 20. ECONOMIC DEVELOPMENT AUTHORITY.

1. APPROPRIATION

a. There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for the purposes designated in this subsection, and for not more than the following full-time equivalent positions:

.....	\$	6,700,000
		<u>13,413,379</u>
.....	FTEs	147.45

b. (1) For salaries, support, miscellaneous purposes, programs, marketing, and the maintenance of an administration division, a business development division, a community development division, a small business development division, and other divisions the authority may organize.

(2) The full-time equivalent positions authorized under this section are funded, in whole or in part, by the moneys appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

(3) For business development operations and programs, international trade, export assistance, workforce recruitment, and the partner state program.

(4) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.

(5) For community economic development programs, tourism

operations, community assistance, plans for Iowa green corps and summer youth programs, the mainstreet and rural mainstreet programs, the school-to-career program, the community development block grant, and housing and shelter-related programs.

(6) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.

c. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in this subsection until the close of the succeeding fiscal year.

2. FINANCIAL ASSISTANCE RESTRICTIONS

a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States.

b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States.

c. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

3. USES OF APPROPRIATIONS

a. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of a grant to a community economic development entity for conducting

a local workforce recruitment effort designed to recruit former citizens of the state and former students at colleges and universities in the state to meet the needs of local employers.

b. From the moneys appropriated in subsection 1, the authority may provide financial assistance to early stage industry companies being established by women entrepreneurs.

c. From the moneys appropriated in subsection 1, the authority may provide financial assistance in the form of grants, loans, or forgivable loans for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

d. The authority shall not use any moneys appropriated in subsection 1 for purposes of providing financial assistance for the Iowa green streets pilot project or for any other program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

4. WORLD FOOD PRIZE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount for the world food prize and in lieu of the standing appropriation in section 15.368:

.....	\$	200,000
		<u>400,000</u>

5. IOWA COMMISSION ON VOLUNTEER SERVICE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount for allocation to the Iowa commission on volunteer service for purposes of the Iowa state commission grant program, the Iowa's promise and Iowa mentoring partnership programs, and for not more than the following full-time equivalent positions:

.....	\$	84,100
		<u>168,201</u>
.....	FTEs	7.00

Of the moneys appropriated in this subsection, the authority shall allocate ~~\$37,500~~ \$75,000 for purposes of the Iowa state commission grant program and ~~\$46,600~~ \$93,201 for purposes of

the Iowa's promise and Iowa mentoring partnership programs.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

6. COUNCILS OF GOVERNMENTS — ASSISTANCE

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount to be used for the purposes of providing financial assistance to Iowa's councils of governments:

.....	\$	87,500
		<u>200,000</u>

6A. REGISTERED APPRENTICESHIP PROGRAM

There is appropriated from the general fund of the state to the economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount to be used for the funding of a registered apprenticeship development program designed to encourage small to midsize businesses to start or grow registered apprenticeships:

.....	\$	<u>1,000,000</u>
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7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS INTERNSHIPS

a. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the Iowa economic development authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For the funding of internships for students studying in the fields of science, technology, engineering, and mathematics with eligible Iowa employers as provided in section 15.411, subsection 3, paragraph "c":

.....	\$	500,000
		<u>1,000,000</u>

b. No more than 3 percent of the moneys appropriated in this subsection may be used by the authority for costs associated with administration of the internship program.

c. Notwithstanding section 8.33, moneys appropriated in this subsection which remain unencumbered or unobligated at the end of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in subsequent fiscal years.

Sec. 3. 2017 Iowa Acts, chapter 169, section 21, is amended to read as follows:

SEC. 21. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2018-2019. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the amounts appropriated from the general fund of the state pursuant to these sections for the following purposes shall not exceed the following amounts:

1. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph "d", subparagraph (1):

.....	\$	208,351
		<u>448,403</u>

2. For the purposes of regional tourism marketing under section 99F.11, subsection 3, paragraph "d", subparagraph (2):

.....	\$	450,000
		<u>900,000</u>

Sec. 4. 2017 Iowa Acts, chapter 169, is amended by adding the following new section:

NEW SECTION. SEC. 21A. FINANCIAL ASSISTANCE REPORTING — ECONOMIC DEVELOPMENT AUTHORITY. The economic development authority and the department of revenue shall submit a joint annual report to the general assembly no later than November 1 of each year that details the amount of every direct loan, forgivable loan, tax credit, tax exemption, tax refund, grant, or any other financial assistance awarded to a person during the prior fiscal year by the authority under an economic development program administered by the authority. The report shall identify the county where the project associated with each such award is located.

Sec. 5. 2017 Iowa Acts, chapter 169, section 22, is amended to read as follows:

SEC. 22. INSURANCE ECONOMIC DEVELOPMENT. From the moneys

collected by the division of insurance in excess of the anticipated gross revenues under section 505.7, subsection 3, during the fiscal year beginning July 1, 2018, ~~\$50,000~~ \$100,000 shall be transferred to the economic development authority for insurance economic development and international insurance economic development.

Sec. 6. 2017 Iowa Acts, chapter 169, section 23, is amended to read as follows:

SEC. 23. IOWA FINANCE AUTHORITY.

1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used to provide reimbursement for rent expenses to eligible persons under the home and community-based services rent subsidy program established in section 16.55:

.....	\$	329,000
		<u>658,000</u>

~~2. If the Iowa finance authority utilizes a waiting list, the authority shall give priority to a person participating in the state's money follows the person partnership for community integration project who has been assigned to work with a transition specialist.~~ Of the moneys appropriated in this section, not more than ~~\$17,500~~ \$35,000 may be used for administrative costs.

Sec. 7. 2017 Iowa Acts, chapter 169, section 25, is amended to read as follows:

SEC. 25. PUBLIC EMPLOYMENT RELATIONS BOARD.

1. There is appropriated from the general fund of the state to the public employment relations board for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	671,226
		<u>1,492,452</u>
.....	FTEs	10.00

11.00

2. Of the moneys appropriated in this section, the board shall allocate ~~\$7,500~~ \$15,000 for maintaining an internet site that allows searchable access to a database of collective bargaining information.

Sec. 8. 2017 Iowa Acts, chapter 169, section 26, is amended to read as follows:

SEC. 26. DEPARTMENT OF WORKFORCE DEVELOPMENT. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. DIVISION OF LABOR SERVICES

a. For the division of labor services, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,745,626
		<u>3,491,252</u>
.....	FTEs	61.12

b. From the contractor registration fees, the division of labor services shall reimburse the department of inspections and appeals for all costs associated with hearings under chapter 91C, relating to contractor registration.

2. DIVISION OF WORKERS' COMPENSATION

a. For the division of workers' compensation, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,629,522
		<u>3,309,044</u>
.....	FTEs	27.20

b. The division of workers' compensation shall charge a \$100 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this subsection are appropriated to the department of workforce development to be used for purposes of

administering the division of workers' compensation.

3. WORKFORCE DEVELOPMENT OPERATIONS

a. For the operation of field offices, the workforce development board, and for not more than the following full-time equivalent positions:

.....	\$	3,972,825
		<u>7,925,650</u>
.....	FTEs	187.75

b. Of the moneys appropriated in paragraph "a" of this subsection, the department shall allocate ~~\$75,000~~ \$150,000 to the state library for the purpose of licensing an online resource which prepares persons to succeed in the workplace through programs which improve job skills and vocational test-taking abilities.

4. OFFENDER REENTRY PROGRAM

a. For the development and administration of an offender reentry program to provide offenders with employment skills, and for not more than the following full-time equivalent positions:

.....	\$	143,579
		<u>337,158</u>
.....	FTEs	4.00
		<u>5.00</u>

b. The department of workforce development shall partner with the department of corrections to provide staff within the correctional facilities to improve offenders' abilities to find and retain productive employment.

5. INTEGRATED INFORMATION FOR IOWA SYSTEM

For the payment of services provided by the department of administrative services related to the integrated information for Iowa system:

.....	\$	114,411
		<u>228,822</u>

5A. SUMMER YOUTH INTERN PILOT PROGRAM

For the funding of a summer youth intern pilot program that will help young people at risk of not graduating from high school to explore and prepare for high-demand careers through summer work experience, including the development of soft skills:

..... \$ 250,000

5B. FUTURE READY IOWA COORDINATOR

For the funding of a future ready Iowa coordinator in the department, and for not more than the following full-time equivalent positions:

..... \$ 150,000

..... FTEs 1.00

6. NONREVERSION

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 9. 2017 Iowa Acts, chapter 169, section 27, is amended to read as follows:

SEC. 27. GENERAL FUND — EMPLOYEE MISCLASSIFICATION

PROGRAM. There is appropriated from the general fund of the state to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enhancing efforts to investigate employers that misclassify workers and for not more than the following full-time equivalent positions:

..... \$ 214,815

379,631

..... FTEs 5.00

Sec. 10. 2017 Iowa Acts, chapter 169, section 28, is amended to read as follows:

SEC. 28. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

1. There is appropriated from the special employment security contingency fund to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, to be used for field offices:

..... \$ 883,042

1,766,084

2. Any remaining additional penalty and interest revenue collected by the department of workforce development is

appropriated to the department for the fiscal year beginning July 1, 2018, and ending June 30, 2019, to accomplish the mission of the department.

Sec. 11. 2017 Iowa Acts, chapter 169, section 29, is amended to read as follows:

SEC. 29. UNEMPLOYMENT COMPENSATION RESERVE FUND —
FIELD OFFICES. Notwithstanding section 96.9, subsection 8, paragraph "e", there is appropriated from interest earned on the unemployment compensation reserve fund to the department of workforce development for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amount, or so much thereof as is necessary, for the purposes designated:

For the operation of field offices:

.....	\$ 530,000
	<u>1,600,000</u>

Sec. 12. 2017 Iowa Acts, chapter 169, section 32, is amended to read as follows:

SEC. 32. IOWA SKILLED WORKER AND JOB CREATION FUND.

1. There is appropriated from the Iowa skilled worker and job creation fund created in section 8.75 to the following departments, agencies, and institutions for the fiscal year beginning July 1, 2018, and ending June 30, 2019, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. ECONOMIC DEVELOPMENT AUTHORITY

(1) For the purposes of providing assistance under the high quality jobs program as described in section 15.335B:

.....	\$ 7,950,000
	<u>13,650,000</u>

(2) From the moneys appropriated in this lettered paragraph "a", the economic development authority may use not more than ~~\$500,000~~ \$1,000,000 for purposes of providing infrastructure grants to mainstreet communities under the main street Iowa program.

(3) As a condition of receiving moneys appropriated in this lettered paragraph "a", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

(1) STATE BOARD OF REGENTS. For capacity building infrastructure in areas related to technology commercialization, marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and infrastructure projects and programs needed to assist in implementation of activities under chapter 262B:

..... \$ ~~1,500,000~~
3,000,000

Of the moneys appropriated pursuant to this subparagraph (1), 35 percent shall be allocated for Iowa state university of science and technology, 35 percent shall be allocated for the state university of Iowa, and 30 percent shall be allocated for the university of northern Iowa.

(a) The institutions shall provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subparagraph (1).

(b) The state board of regents shall annually submit a report by January 15 to the governor, the general assembly, and the legislative services agency regarding the activities, projects, and programs funded with moneys appropriated under this subparagraph (1). The report shall be provided in an electronic format and shall include a list of metrics and criteria mutually agreed to in advance by the board of regents and the economic development authority. The metrics and criteria shall allow the governor's office and the general assembly to quantify and evaluate the progress of the board of regents institutions with regard to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

(2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For small business development centers, the science and technology research park, and the center for industrial research and service, and for not more than the following full-time equivalent positions:

..... \$ ~~1,212,151~~
2,424,302
..... FTEs 56.63

(a) Of the moneys appropriated in this subparagraph

(2), Iowa state university of science and technology shall allocate at least ~~\$367,864~~ \$735,728 for purposes of funding small business development centers. Iowa state university of science and technology may allocate the appropriated moneys to the various small business development centers in any manner necessary to achieve the purposes of this subparagraph.

(b) Iowa state university of science and technology shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(c) It is the intent of the general assembly that the industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations, and that moneys for the center for industrial research and service industrial incentive program shall be allocated only for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102, subsection 8, for directed contract research or for nondirected research shall be \$1 for each \$3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be \$1 for each \$1 of state funds. The match required of industrial foundations or trade associations shall be \$1 for each \$1 of state funds.

Iowa state university of science and technology shall report annually to the joint appropriations subcommittee on economic development and the legislative services agency the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

(3) STATE UNIVERSITY OF IOWA. For the state university of Iowa research park and for the advanced drug development program at the Oakdale research park, including salaries, support, maintenance, equipment, and miscellaneous purposes, and for not more than the following full-time equivalent

positions:

.....	\$	104,639
		<u>209,279</u>
.....	FTEs	6.00

The state university of Iowa shall do all of the following:

(a) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(b) Provide emphasis to providing services to Iowa-based companies.

(4) STATE UNIVERSITY OF IOWA. For the purpose of implementing the entrepreneurship and economic growth initiative, and for not more than the following full-time equivalent positions:

.....	\$	1,000,000
		<u>2,000,000</u>
.....	FTEs	8.00

(5) UNIVERSITY OF NORTHERN IOWA. For the metal casting ~~institute~~ center, the MyEntreNet internet application, and the institute ~~of~~ for decision making, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	533,209
		<u>1,066,419</u>
.....	FTEs	8.12

(a) Of the moneys appropriated pursuant to this subparagraph (5), the university of northern Iowa shall allocate at least ~~\$308,819~~ \$617,638 for purposes of support of entrepreneurs through the university's center for business growth and innovation and advance Iowa program.

(b) The university of northern Iowa shall do all of the following:

(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.

(ii) Provide emphasis to providing services to Iowa-based companies.

(6) As a condition of receiving moneys appropriated in this lettered paragraph "b", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

c. DEPARTMENT OF WORKFORCE DEVELOPMENT

To develop a long-term sustained program to train unemployed and underemployed central Iowans with skills necessary to advance to higher-paying jobs with full benefits:

.....	\$	50,000
		<u>100,000</u>

(1) The department of workforce development shall begin a request for proposals process, issued for purposes of this lettered paragraph "c", no later than September 1, 2018.

(2) As a condition of receiving moneys appropriated under this lettered paragraph "c", an entity shall testify upon the request of the joint appropriations subcommittee on economic development regarding the expenditure of such moneys.

2. Notwithstanding section 8.33, moneys appropriated in this section of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

DIVISION II

UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION

Sec. 13. AUTHORIZATION OF USE OF FUNDS — UNEMPLOYMENT INSURANCE SYSTEMS MODERNIZATION. Incentive payment funds made to the state pursuant to the federal Assistance for Unemployed Workers and Struggling Families Act, Pub. L. No. 111-5, enacted February 17, 2009, as a special transfer under section 903 of the Social Security Act, may be used up to \$39,200,000, or so much thereof as may be necessary, by the department of workforce development, for the purpose of unemployment insurance systems modernization and for the acquisition of programming, software, and equipment required to provide an administrative system for the Iowa unemployment insurance program.

Sec. 14. REPEAL. 2017 Iowa Acts, chapter 169, section 15, is repealed.

Sec. 15. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 16. RETROACTIVE APPLICABILITY. The following applies retroactively to July 1, 2017:

The section of this division of this Act relating to

unemployment insurance systems modernization.

DIVISION III

INDEPENDENT INVESTIGATION OF IOWA FINANCE AUTHORITY

Sec. 17. FINANCIAL AND SEXUAL HARASSMENT INVESTIGATIONS OF IOWA FINANCE AUTHORITY. The independent investigators who have been selected to conduct an investigation of the Iowa finance authority shall each submit a report with a summary of the results of the independent investigator's investigation to the general assembly no later than December 1, 2018. The financial investigation shall include an analysis of all expenses reimbursed by the state to the former director of the authority and all employees of the authority for the period January 1, 2011, through June 30, 2018. Such expenses shall include all travel, lodging, meals, beverages, personal services, entertainment, office expenses, and all other expenditures not included in the authority's budget. The financial investigation shall also include an analysis of any personal financial or other personal accounts used by the former authority director or any employee of the authority to collect agency fees or other moneys collected by the authority. The sexual harassment investigation shall include a review of any conduct of current and former authority employees in violation of a state human resources policy or an authority personnel policy that is related to the termination of the former director of the authority.

DIVISION IV

MISCELLANEOUS

Sec. 18. Section 8.57, subsection 5, paragraph f, subparagraph (1), subparagraph division (c), Code 2018, is amended to read as follows:

(c) (i) For the fiscal year beginning July 1, 2013, and for each fiscal year ~~thereafter~~ through the fiscal year beginning July 1, 2017, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next sixty-six million dollars shall be deposited in the Iowa skilled worker and job creation fund created in section 8.75.

(ii) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next

sixty-three million seven hundred fifty thousand dollars shall be deposited in the Iowa skilled worker and job creation fund created in section 8.75.

Sec. 19. Section 8.57, subsection 5, paragraph f, subparagraph (1), Code 2018, is amended by adding the following new subparagraph division:

NEW SUBPARAGRAPH DIVISION. (0d) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next two million two hundred fifty thousand dollars shall be deposited in the general fund of the state.

Sec. 20. Section 8.57, subsection 5, paragraph f, subparagraph (1), subparagraph division (d), Code 2018, is amended to read as follows:

(d) For the fiscal year beginning July 1, ~~2013~~, 2018, and for each fiscal year thereafter, the total moneys in excess of the moneys deposited under this paragraph "f" in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, and the Iowa skilled worker and job creation fund, and the general fund of the state shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

Sec. 21. Section 96.5, Code 2018, is amended by adding the following new subsection:

NEW SUBSECTION. 13. *Overpayment resulting in disqualification.* If the department finds that an individual has received benefits by reason of misrepresentation pursuant to section 96.16, such individual shall be disqualified for benefits until the balance of the benefits received by the individual due to misrepresentation, including all penalties, interest, and lien fees, is paid in full.

Sec. 22. NEW SECTION. 507E.2A Definition of insurer — workers' compensation.

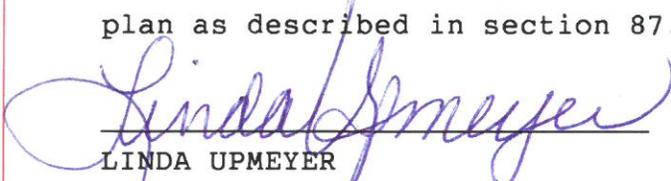
As used in this chapter, unless the context otherwise requires:

1. "Insurance" means any and all contracts, arrangements, and agreements by or through which one party, for compensation, assumes risks of another party and promises to pay the second

party or the second party's nominee a certain or ascertainable sum of money on the occurrence of a specified contingency.

"Insurance" includes any and all contracts, arrangements, or agreements contemplated by, falling within, and coming under section 87.11. Without limiting the foregoing, "insurance" includes any contract of insurance, indemnity, subscription, membership, suretyship, or annuity that has been issued, is proposed for issuance, or is intended for issuance by any person or entity.

2. "Insurer" includes an insurer that issues a policy of workers' compensation, a self-insured business for purposes of workers' compensation liability, or a group or self-insured plan as described in section 87.4.



LINDA UPMEYER
Speaker of the House



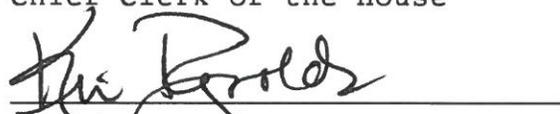
CHARLES SCHNEIDER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2493, Eighty-seventh General Assembly.



CARMINE BOAL
Chief Clerk of the House

Approved June 1st, 2018



KIM REYNOLDS
Governor